

STATEMENT OF SENATOR JOHN McCAIN  
CHAIRMAN, SENATE COMMITTEE ON  
COMMERCE, SCIENCE, AND TRANSPORTATION  
FULL COMMITTEE HEARING  
ON AVIATION COMPETITION AND AIR SERVICE IN IOWA  
APRIL 30, 1999

- I want to welcome our witnesses today to this Commerce Committee hearing on aviation competition and air service in Iowa. I also want to thank my colleagues from the Iowa congressional delegation for joining us.
- We all know that one clear and common element to economic success is adequate air service. Overall, communities both large and small have benefited from the success of airline deregulation and the resulting lower fares. Deregulation's success is measured in averages, however. Increasingly, smaller communities face declining service at higher fares, or the loss of air service altogether.
- The General Accounting Office, for instance, found that the average one-way airfare in Iowa increased from approximately 160 dollars in 1991 to approximately 210 dollars in 1998. I suspect, however, that a bigger concern to you is the high "walkup" fare that the Iowa business traveler is faced with.
- Let me give you a few examples of the walkup fares in effect on Monday and Tuesday of this week. One-stop or connecting service from Cedar Rapids to Washington, D.C., costs 1,074 dollars for the round trip. Connecting service on the round trip from Cedar Rapids to Los Angeles is 1,654 dollars. A round trip from Dubuque to Kansas City, via connecting service, is 1,192 dollars. The Dubuque-San Diego round trip ranges from 1,476 dollars to 1,678 dollars, depending on which airline you take. Round trip, nonstop service from Des Moines to Dallas/Fort Worth is a relative bargain at 996 dollars.
- The Commerce Committee recently approved S. 82, the Air Transportation Improvement Act. The bill contains several provisions that are designed to enhance air service and airline competition in this and other regions with similar concerns.
- The bill would make sure that communities have additional access to Chicago O'Hare, JFK and LaGuardia in New York, and Reagan National in Washington. As you know, these airports' capacities are artificially restricted by federal takeoff and landing slots. Several of our witnesses today will demonstrate that slots are the leading barriers to free and fair competition in our aviation system. They block access to vital business markets in the country.

- I have a letter here from the CEO of Midwest Express, which I would like to include in the record. Among other things, Midwest Express supports the Air Transportation Improvement Act because of the additional slots it provides at Reagan National. It is my understanding that Midwest Express has committed to Des Moines officials that it would operate nonstop Des Moines-Reagan National service if it can get the slots needed to provide the service.
- Improved community air service is the focus of another section of the Air Transportation Improvement Act. The provision would pledge Department of Transportation assistance to communities seeking to attract new air carriers or additional air service. The emphasis would be on public-private partnership. We all recognize that a community's citizens need to be as committed to using new air service, as the air carriers are committed to providing it.
- The Senate leadership expects to bring the Air Transportation Improvement Act to the Senate floor during the week of May 17. Your support, and the continued work and support of your Attorney General, have made a huge difference in moving the bill to this point. I hope and expect that we can continue to work together to ensure its swift passage.